APPENDIX 8-E.

(See Chapter 9, Article 155, Note 2.)

Instructions laying down the procedure to be followed in dealing with applications for advances for the construction, purchase or repair of houses.

(1) On receipt of an application for an advance, the head of the office (*e.g.*, the District Superintendent of Police, Divisional Forest Officer or Inspector of Schools) should inspect the land or the house personally and satisfy himself by local inquiry that the amount of the advance applied for has not been over-estimated. He should then direct one of his responsible subordinates (*e.g.*, Superintendent or Assistant Superintendent, Nazir or Accountant) to examine the records of the Registration Office and satisfy himself that the property has been free from encumbrances during the past 12 years. The head of the office should then forward the application with his report thereon to the head of his department for sanction.

(2) Under rule VII of the rules in Article 155 (*a*), the sanctioning authority has to satisfy himself regarding the applicant's clear title to the property. If the head of the department decides to sanction the advance, and if funds for making the advance are available, he should forward the application to the Deputy Commissioner of the district concerned for verifying the applicant's title to the property.

(3) The Deputy Commissioner or one of his assistants should personally inspect the land or the house, examine the applicant, and require him to produce title deed, if any, in his possession. The vendor should next be examined, and he also should be required to produce his title deeds. If the site or house has changed hands more than once, as often happens, then all the predecessors in title of the present vendor should be examined with their title deeds. When the property lies in a municipal area, the Secretary of the Municipal Committee should then be asked to report, after reference to his records, what person or persons have been in actual possession of the house or the land concerned during the past 12 years.

(4) The application should then be forwarded by the Deputy Commissioner to the Legal Remembrancer to Government with the investigating officer's report thereon for further examination of the title.

(5) The Legal Remembrancer will examine the applicant's title to the property and will forward the application to the head of the department with his opinion.

(6) If the reports of the Deputy Commissioner and the Legal Remembrancer show that the applicant has a clear title to the property, the advance will be sanctioned by the head of the department.

(7) Rule III of the rules in Article 155, requires that an advance for the construction of a house should be paid in instalments, the amount of each instalment being such as is likely to be required for expenditure in the next three months,

and that satisfactory evidence should be produced by the applicant to show that the amount of the previous instalment has been actually utilised for the purpose for which it was drawn before the next instalment is paid. The head of the office or a responsible assistant should verify by personal local inspection that the conditions laid down in the rule have been fulfilled.

NOTE.—The above instructions should be followed with due regard to any modifications necessary with reference to the local procedure prescribed by the local Government in sanctioning house building advances to the officers under their administrative control.

APPENDIX 8-F.

(SEE CHAPTER 15-A, ARTICLE 259-I.)

Contracts and agreements involving liabilities on the part of the State.

The following rules are laid down to regulate the powers of the Government of India and of local Governments and Administrations to enter into or sanction contracts and agreements involving liabilities on the part of the State:—

Statutory Rules.

The following provisions and restrictions are prescribed by the Secretary of State in Council, in exercise of the power reserved to him by Statutes 22 and 23 Vict., Cap. 41, section I, and shall apply to all concessions, grants, leases, and contracts (except such as may be made under any special legislative sanction) made or entered into by the Government of India, or by a local Government or Administration or other authority in India, to or with any person, firm, company, syndicate, municipality, or other public body who or which has applied for the same for mining, milling or any other industrial or manufacturing purposes or for the purpose of any railway, tramway, water works or other undertaking of a like nature, not being for ordinary agricultural or settlement purposes or for the purpose of securing the exploitation of forest produce from State forests.

I.—No concession, grant, or lease of land, of mineral or forest rights, or of right to water power, or of right of way or other easement, or of any privilege in respect of land, of mineral or forest rights, of right to water power, or of an easement, and no contract involving the execution or maintenance by Government of works, shall be made or entered into by the Government of India to, with or in favour of any person, firm, syndicate, company, municipality or other public body for any of the purposes above mentioned without the express sanction of the Secretary of State in Council,—

if such concession, grant, lease, or contract

(*a*) is intended to endure for a period exceeding ten years and is not accompanied by an unconditional power of revocation or cancelment by the Government of India at any time during such period on the expiry of six months' notice to that effect, and imposes on the revenues of India an annual liability in excess of fifty thousand rupees ; or

(*b*) imposes on such revenues a charge or expenditure or liability to damages in excess of twelve lakhs of rupees ; or

(*c*) involves the cession of property or rights of which the estimated value exceeds twelve lakhs of rupees.

II.—No concession, grant, or lease of land, of mineral or forest rights, or of right to water power, or of right of way or other easement, or of any privilege in respect of land, of mineral or forest rights, of right to water power, or of an easement, and no contract involving the execution or maintenance by Government of works, shall be made or entered into by any local Government or Administration or other authority in India to, with or in favour of any person, firm, company, syndicate, municipality, or other public body for any of the purposes above mentioned without the express sanction of the Government of India and of the Secretary of State in Council,—

if such concession, grant, lease, or contract

(*a*) is intended to endure for a period exceeding ten years and is not accompanied by an unconditional power of revocation or cancelment by the Government of India at any time during such period on the expiry of six months' notice to that effect, and imposes on the revenues of India an annual liability in excess of fifty thousand rupees ; or

(*b*) imposes on such revenues a charge or expenditure or liability to damages in excess of twelve lakhs of rupees ; or